



Roundtable Discussion Concept Paper

By Dr. Noriel Christopher C. Tiglao

THE ISSUANCE of the Omnibus Franchising Guidelines (OFG) by the Department of Transportation in 2017 ushered a wave of reforms in the country's road-based public transport system. Firstly, the OFG established the hierarchy of public transportation modes and routes and mandated the conduct of route rationalization and fleet modernization on a nationwide basis. Next, the local government units have been mandated to prepare their respective Local Public Transport Route Plan (LPTRP) for the issuance of new franchises, a huge shift since the moratorium from 2003. In related policy issuances under the government's Public Utility Vehicle Modernization Program (PUVMP), the Land Transportation Franchising and Regulatory Board together with the Office of Transportation Cooperatives has been promoting the consolidation of otherwise fragmented operations of transport operators. More recently, the government has launched a service contracting program as a response to the COVID-19 pandemic in order to address the negative impacts of mobility restrictions to the public transport industry.

At the outset, it is recognized that there is a need to evaluate the policy performance and identify knowledge gaps on the various public transport reform initiatives. A Congressional Report observes that while PUVMP is considered a large-scale transformative initiative of the current administration, there seems to be too much focus on vehicle replacement. The same report indicates the need for proper sequencing of its implementation and cautions that unless properly implemented, the benefits to be gained from the program may not be fully realized. On the other hand, key lessons can also be learned from past reform efforts towards informing evidence-based policy making. A critical examination of public transport reforms in the country can greatly benefit from an application of key analytical frameworks borne out from the Thredbo conference series that has been running for over 30 years since 1989. Moreover, the Thredbo frameworks presents a good starting point for a constructive and continuing policy dialogue among operators, regulators and commuters who will stand to benefit from improved public transport service quality.

Thredbo has established three centerpieces, namely, the STO (strategic/ tactical/ operational) framework; trusting partnerships between transport regulators and operators; and regulatory cycles in the bus and rail sectors. The STO framework coined by Didier van de Velde (1999) in Thredbo 4 allowed a range of issues to be framed within this setting as a way of understanding the various roles of stakeholders—in particular, operators and regulators. The three tiers were later synonymized with (S) transport policy, (T) system planning and (O) service delivery. On the other hand, the role of trusting or quality partnerships emerged in Thredbo 7 as a mechanism for providing clarity to operators and regulators in how strategic goals can be translated into operational practice. For example, Stanley (2010) discusses the critical role of trusting partnerships at the tactical level in forming the basis for negotiated contracts. Finally, the influential contribution made by Ken Gwilliam (2008) in Thredbo 10/11 on regulatory cycles provided evidence for a cyclical tendency in bus regulation in both developed and developing economies.

This roundtable discussion brings together thought leaders in the transportation field for the purpose of illuminating the way forward, either through proposed changes and improvements on the on-going initiatives and point the way for much needed focused research on the subject. For example, institutional reforms are missing in the case of BRT projects that blur the boundaries between public and private. A strong feature of BRT systems in other country experiences is shorter development period and yet, this is not happening in the Philippines based on the Cebu BRT experience. The competition for the market which is a radical policy reform floated by PIDS presupposed the existence of a few large transport operators and a revision in the franchising law. While formation of cooperatives sound egalitarian, it is a form of consolidation that has failed to gain traction in the last 40 years among jeepneys. Consolidation and amalgamation are seen by policy makers as the hallmark of modernization, an observation made by Peter J. Rimmer in his book published in 1986. Whilst restructuring the bus and jeepney routes is desirable, there are very few indicators to an optimal design. The LTFRB-adopted new bus route network maybe an improvement, but it increases the number of transfers without prescribing a corollary change in fare policy so as not to penalize these transfers between buses and with other modes. For this round, valuable lessons and policy insights shall be distilled based on the STO framework.

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